

SAC  
WIRE CENTER  
YEAR FILED

431995
CLNYOK
2014

	Total Square Mileage	Total Population	Planned General Support Investment	Planned Central Office Investment	Planned Cable & Wire Investment	Total Planned Investment	Affected Population	Affected Area (Sq. Mi.)	% Subs	% Area
Year 1	40.00	364.00	\$ 3,000	\$ 13,300	\$ 7,000	\$ 23,300	364	40.00	100%	100%
Year 2	40.00	364.00	\$ 3,000	\$ 13,300	\$ 7,000	\$ 23,300	364	40.00	100%	100%
Year 3	40.00	364.00	\$ 3,000	\$ 13,300	\$ 7,000	\$ 23,300	364	40.00	100%	100%
Year 4	40.00	364.00	\$ 3,000	\$ 13,300	\$ 7,000	\$ 23,300	364	40.00	100%	100%
Year 5	40.00	364.00	\$ 3,000	\$ 13,300	\$ 7,000	\$ 23,300	364	40.00	100%	100%
<b>Total</b>	<b>40.00</b>	<b>364</b>	<b>\$ 15,000</b>	<b>\$ 66,500</b>	<b>\$ 35,000</b>	<b>\$ 116,500</b>	<b>1,820</b>	<b>200.00</b>	<b>500%</b>	<b>500%</b>

SAC  
WIRE CENTER  
YEAR FILED

431995
EKLYOK
2014

	Total Square Mileage	Total Population	Planned General Support Investment	Planned Central Office Investment	Planned Cable & Wire Investment	Total Planned Investment	Affected Population	Affected Area (Sq. Mi.)	% Subs	% Area
Year 1	58.00	868.00	\$ 7,500	\$ 33,100	\$ 21,200	\$ 61,800	868	58.00	100%	100%
Year 2	58.00	868.00	\$ 7,500	\$ 33,100	\$ 564,000	\$ 604,600	868	58.00	100%	100%
Year 3	58.00	868.00	\$ 7,500	\$ 33,100	\$ 564,000	\$ 604,600	868	58.00	100%	100%
Year 4	58.00	868.00	\$ 7,500	\$ 33,100	\$ 21,200	\$ 61,800	868	58.00	100%	100%
Year 5	58.00	868.00	\$ 7,500	\$ 33,100	\$ 21,200	\$ 61,800	868	58.00	100%	100%
Total	58.00	868	\$ 37,500	\$ 165,500	\$ 1,191,600	\$ 1,394,600	4,340	290.00	500%	500%

SAC  
WIRE CENTER  
YEAR FILED

431995
HITNOK
2014

	Total Square Mileage	Total Population	Planned General Support Investment	Planned Central Office Investment	Planned Cable & Wire Investment	Total Planned Investment	Affected Population	Affected Area (Sq. Mi.)	% Subs	% Area
Year 1	150.00	3,414.00	\$ 42,500	\$ 187,000	\$ 70,500	\$ 300,000	3,414	150.00	100%	100%
Year 2	150.00	3,414.00	\$ 42,500	\$ 187,000	\$ 70,500	\$ 300,000	3,414	150.00	100%	100%
Year 3	150.00	3,414.00	\$ 42,500	\$ 187,000	\$ 70,500	\$ 300,000	3,414	150.00	100%	100%
Year 4	150.00	3,414.00	\$ 42,500	\$ 187,000	\$ 70,500	\$ 300,000	3,414	150.00	100%	100%
Year 5	150.00	3,414.00	\$ 42,500	\$ 187,000	\$ 70,500	\$ 300,000	3,414	150.00	100%	100%
<b>Total</b>	<b>150.00</b>	<b>3,414</b>	<b>\$ 212,500</b>	<b>\$ 935,000</b>	<b>\$ 352,500</b>	<b>\$ 1,500,000</b>	<b>17,070</b>	<b>750.00</b>	<b>500%</b>	<b>500%</b>

SAC  
WIRE CENTER  
YEAR FILED

431995
HYDROK
2014

	Total Square Mileage	Total Population	Planned General Support Investment	Planned Central Office Investment	Planned Cable & Wire Investment	Total Planned Investment	Affected Population	Affected Area (Sq. Mi.)	% Subs	% Area
Year 1	76.00	2,166.00	\$ 19,400	\$ 85,900	\$ 564,200	\$ 669,500	2,166	76.00	100%	100%
Year 2	76.00	2,166.00	\$ 19,400	\$ 85,900	\$ 21,200	\$ 126,500	2,166	76.00	100%	100%
Year 3	76.00	2,166.00	\$ 19,400	\$ 85,900	\$ 21,200	\$ 126,500	2,166	76.00	100%	100%
Year 4	76.00	2,166.00	\$ 19,400	\$ 85,900	\$ 21,200	\$ 126,500	2,166	76.00	100%	100%
Year 5	76.00	2,166.00	\$ 19,400	\$ 85,900	\$ 21,200	\$ 126,500	2,166	76.00	100%	100%
Total	76.00	2,166	\$ 97,000	\$ 429,500	\$ 649,000	\$ 1,175,500	10,830	380.00	500%	500%

SAC  
WIRE CENTER  
YEAR FILED

431995
LOKBOK
2014

	Total Square Mileage	Total Population	Planned General Support Investment	Planned Central Office Investment	Planned Cable & Wire Investment	Total Planned Investment	Affected Population	Affected Area (Sq. Mi.)	% Subs	% Area
Year 1	135.00	856.00	\$ 8,000	\$ 35,400	\$ 21,200	\$ 64,600	856	135.00	100%	100%
Year 2	135.00	856.00	\$ 8,000	\$ 35,400	\$ 21,200	\$ 64,600	856	135.00	100%	100%
Year 3	135.00	856.00	\$ 8,000	\$ 35,400	\$ 21,200	\$ 64,600	856	135.00	100%	100%
Year 4	135.00	856.00	\$ 8,000	\$ 35,400	\$ 564,200	\$ 607,600	856	135.00	100%	100%
Year 5	135.00	856.00	\$ 8,000	\$ 35,400	\$ 21,200	\$ 64,600	856	135.00	100%	100%
<b>Total</b>	<b>135.00</b>	<b>856</b>	<b>\$ 40,000</b>	<b>\$ 177,000</b>	<b>\$ 649,000</b>	<b>\$ 866,000</b>	<b>4,280</b>	<b>675.00</b>	<b>500%</b>	<b>500%</b>

**Hinton Telephone Company**

**Study Area Code: 431995**

**Response to Line 510 – Service Quality Standards and Consumer Protection Rules**

Surpasses PUC minimum service quality standards – Hinton Telephone Company ("Filer") hereby certifies that its voice service surpasses the minimum standards required by the Oklahoma Corporation Commission ("OCC") for eligible telecommunications carriers. Over the history of the Filer's provision of voice services to its customer, it has consistently exceeded those minimum standards.

Publicly available rates, terms and conditions - Once more, the Filer's rates, terms and conditions for voice service are publically available through OCC approved local exchange tariffs.

Protection of consumer information - The Filer complies with the Federal Communications Commission Consumer Proprietary Network Information ("CPNI") rules (47 C.F.R. Sections 64.2001-64.2011). The compliance is assured through certification for CPNI compliance by March 1 of each year, in addition to its own internal company procedures. The Filer also complies with all consumer protection rules applicable by State law.

Broadband service rates, quality service standards - The Filer offers wholesale broadband to an unaffiliated third party, rather than retail to its end users. It assures the third party that it provides speeds associated with service plans purchased through its interstate tariff. For example, for lines that subscribe at speeds up to a download speed and upload speed, those speeds are provided. However, those speeds are based on a 'best effort' basis, due to the fact there are several aspects of the broadband network, outside of the Filer's control, that can effect throughput speeds. The interstate tariffs are publically available for rates, terms and conditions. Once more, the Filer has internal procedures to assure that quality of service to broadband customers exceeds expectations. Therefore, although there are no current broadband service quality standards and consumer protection rules, the Filer discloses its rates, terms and conditions of service to its customers. Lastly, the Filer complies with applicable federal and state customer protection standards for all businesses in Oklahoma.

**Hinton Telephone Company**

**Study Area Code: 431995**

**Response to Line 610 – Ability to Function in Emergency Situations for Voice and Broadband**

Hinton Telephone Company ("Filer") certifies that it is able to function in emergency situations as set forth in both federal and state regulations.

Power - The Filer's network is designed to remain functional in emergency situations where no external power is available. In such cases, the Filer has eight hours of battery backup power for each of its wire centers and field electronics locations. Each wire center is also equipped with backup power generators and automatic transfer switches. In addition, the Filer has access to mobile backup generators in case of backup power failure.<sup>1</sup>

Routing and Spikes – The Filer has alternate routes configured in each of its local switches to assure that when the primary routes are down, traffic is re-routed to alternate routes and facilities. In addition, the Filer has overflow routes where traffic spikes may compromise the primary route traffic flows.

Procedures for voice and data - The Filer has internal procedures for emergency situations which includes emergency operations planning. Such procedures and network infrastructure utilized for emergency situations is offered as such for both voice and broadband services.

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<sup>1</sup> Section 54.202(a)(2)



Hinton Telephone Co., Inc.  
P.O. Box 1040, Hinton, OK 73047  
405-542-3262

Date: 12-16-2013

Re: Request for a meeting to discuss the communications needs of your Tribal community.

Kerry Holton, President  
Delaware Nation  
P.O. Box 825  
Anadarko, OK 73005-0825

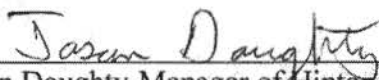
On behalf of Hinton Telephone Company, Inc. we want to make sure that the communications needs of your Tribal members and all institutions operated by your Nation are met. In order to accomplish this I would like to have a meeting with you or others you may designate to discuss a needs assessment and deployment planning for the communications needs of your Tribal members and Tribal government institutions. Hinton Telephone Company, Inc. is not only the authorized telecommunications provider for some of the Tribal Lands of your Nation but our company provides a full array of communications services, including broadband services, internet access and voice telephone service.

I would like to discuss, at a minimum, the following areas:

1. The communications needs of Tribal community anchor institutions
2. Feasibility and sustainability planning for your communications needs
3. Marketing of our services to Tribal members
4. Rights of way issues, if any, associated with our provisioning of services to Tribal members and/or institutions operated by the Nation
5. Our compliance with Tribal business and licensing requirements, if any
6. Other items you wish to discuss

I would like to schedule a meeting at your earliest convenience. Please contact me at the below phone number or email address so we can select the time and location that best fits your schedule.

Sincerely,

  
Jason Doughty-Manager of Hinton Telephone Co., Inc.  
405-542-3262  
[Jason1@hintonet.net](mailto:Jason1@hintonet.net)



## **Tribal Meeting information between Hinton Telephone Co. and the Wichita Tribe**

Hinton Telephone Co. addressed expansion of services with the Wichita Tribe and Sugar Creek Casino due to the addition of an event center and future hotel.

On Dec. 19<sup>th</sup> of 2013 Hinton Telephone Co. attended a meeting with Sugar Creek Casino and Glen Coleman "General Manager" along with Rick Kosman "Private Contractor" about the relocation of fiber optic cable located on the tribal land.

Several meeting's and calls occurred between HTC and SCC over the next couple months to insure that the tribe was taken care of and that the relocation of services will go completely as planned.

Hinton Telephone Co. and Sugar Creek Casino agreed that relocating the Fiber cable was in the best interest of HTC and SCC for accommodations in the expansion of their service.

With the engineering and planning of this move HTC feels that SCC will be able to receive more than adequate service of Internet, Phone, and TV service.

Hinton Telephone Co., Inc.  
P.O. Box 1040, Hinton, OK 73047  
405-542-3262

Date: 12-16-2013

Re: Request for a meeting to discuss the communications needs of your Tribal community.

Stratford Williams, President  
Wichita and Affiliated Tribes  
P.O. Box 729  
Anadarko, OK 73005-0729

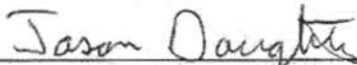
On behalf of Hinton Telephone Company, Inc. we want to make sure that the communications needs of your Tribal members and all institutions operated by your Tribe and Affiliated members are met. In order to accomplish this I would like to have a meeting with you or others you may designate to discuss a needs assessment and deployment planning for the communications needs of your Tribal members and Tribal government institutions. Hinton Telephone Company, Inc. is not only the authorized telecommunications provider for some of your Tribal Lands but our company provides a full array of communications services, including broadband services, internet access and voice telephone service.

I would like to discuss, at a minimum, the following areas:

1. The communications needs of Tribal community anchor institutions
2. Feasibility and sustainability planning for your communications needs
3. Marketing of our services to Tribal members
4. Rights of way issues, if any, associated with our provisioning of services to Tribal members and/or institutions operated by the Nation
5. Our compliance with Tribal business and licensing requirements, if any
6. Other items you wish to discuss

I would like to schedule a meeting at your earliest convenience. Please contact me at the below phone number or email address so we can select the time and location that best fits your schedule.

Sincerely,



Jason Doughty-Manager of Hinton Telephone Co., Inc.  
405-542-3262  
[Jason1@hintonet.net](mailto:Jason1@hintonet.net)

**Hinton Telephone Company**

**Study Area Code: 431995**

**Response to Line 1010 – Voice Services Rate Comparability**

The Wireline Competition Bureau has released its reasonably comparable voice benchmark rate including local residential rate, interstate end user common line charge, any applicable state end user common line charges, mandatory extended area service charges and state universal service charges. The Filer certifies that the combination of all applicable charges stated herein fall below the federal benchmark rate. The Filer discloses its rates, by exchange, in line 700 of the Form 481, demonstrating its rate levels compared to the federal benchmark.



According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential. <b>BORROWER NAME</b> The Hinton Telephone Company of Hinton, Oklahoma, Inc. (Prepared with Audited Data)
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<b>INSTRUCTIONS:</b> Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	<b>PERIOD ENDING</b> December, 2013	<b>BORROWER DESIGNATION</b> OK0538
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<b>CERTIFICATION</b> We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. <b>ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</b> <b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII</b> (Check one of the following)	
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.	<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report
Kenneth Doughty	5/27/2014 DATE

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	711,142	587,997	25. Accounts Payable	2,551,721	500,743
2. Cash-RUS Construction Fund	30,062	30,087	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	0	0
a. Telecom, Accounts Receivable	5,668	326	28. Customer Deposits	0	0
b. Other Accounts Receivable	0	0	29. Current Mat. L/T Debt	1,273,015	974,000
c. Notes Receivable	0	0	30. Current Mat. L/T Debt-Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat.-Capital Leases	0	0
a. Telecom, Accounts Receivable	360,004	431,570	32. Income Taxes Accrued	0	0
b. Other Accounts Receivable	0	0	33. Other Taxes Accrued	(19)	(19)
c. Notes Receivable	0	0	34. Other Current Liabilities	0	33,232
5. Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 thru 34)	3,824,717	1,507,956
6. Material-Regulated	139,283	101,003	<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	1,679,732	5,197,816
8. Prepayments	103,119	82,119	37. Funded Debt-RTB Notes	3,886,411	1,347,764
9. Other Current Assets			38. Funded Debt-FFB Notes	0	0
10. Total Current Assets (1 Thru 9)	1,349,278	1,333,102	39. Funded Debt-Other	2,590,363	2,685,487
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development	0	0	42. Recquired Debt		
b. Nonrural Development	0	0	43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development	0	0	45. Other Long-Term Debt		
b. Nonrural Development	9,324,628	9,370,709	46. Total Long-Term Debt (36 thru 45)	8,156,506	9,231,067
13. Nonregulated Investments	3,279,100	4,656,733	<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets	0	0	47. Other Long-Term Liabilities	0	
15. Deferred Charges	18,332	0	48. Other Deferred Credits	0	
16. Jurisdictional Differences	0	0	49. Other Jurisdictional Differences	0	
17. Total Noncurrent Assets (11 thru 16)	12,622,060	14,027,442	50. Total Other Liabilities and Deferred Credits (47 thru 49)	0	0
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-In-Service	28,215,305	28,715,246	51. Cap. Stock Outstand. & Subscribed	26,600	26,600
19. Property Held for Future Use	0	0	52. Additional Paid-In-Capital	500	500
20. Plant Under Construction	157,940	823,079	53. Treasury Stock	(4,975,225)	(4,975,226)
21. Plant Adj., Nonop. Plant & Goodwill	0	0	54. Membership and Cap. Certificates	0	
22. Less Accumulated Depreciation	17,551,109	18,867,522	55. Other Capital	3,255,377	4,633,849
23. Net Plant (18 thru 21 less 22)	10,822,136	10,670,803	56. Patronage Capital Credits	0	
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	14,504,999	15,606,601
			58. Total Equity (51 thru 57)	12,812,251	15,292,324
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	24,793,474	26,031,347
	24,793,474	26,031,347			

Total Equity = 58.75% % of Total Assets



<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	<b>BORROWER DESIGNATION</b>	
	OK0538	
	<b>PERIOD ENDING</b>	
<b>INSTRUCTIONS- See RUS Bulletin 1744-2</b>	December, 2013	

**PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS**

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	579,101	578,173
2. Network Access Services Revenues	3,751,194	4,228,867
3. Long Distance Network Services Revenues	590,313	585,721
4. Carrier Billing and Collection Revenues	8,451	13,631
5. Miscellaneous Revenues	43,568	52,232
6. Uncollectible Revenues	(723)	23,941
7. Net Operating Revenues (1 thru 6 less 6)	4,973,350	5,434,683
8. Plant Specific Operations Expense	1,990,278	1,930,958
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	157,749	121,769
10. Depreciation Expense	1,413,361	1,463,968
11. Amortization Expense	21,900	18,332
12. Customer Operations Expense	404,721	362,456
13. Corporate Operations Expense	581,055	631,801
14. Total Operating Expenses (8 thru 13)	4,569,064	4,529,284
15. Operating Income or Margins (7 less 14)	404,286	905,399
16. Other Operating Income and Expenses	(2,166)	(12,436)
17. State and Local Taxes	193,399	198,152
18. Federal Income Taxes	0	0
19. Other Taxes	0	0
20. Total Operating Taxes (17+18+19)	193,399	198,152
21. Net Operating Income or Margins (15+16-20)	208,721	694,811
22. Interest on Funded Debt	418,680	367,608
23. Interest Expense - Capital Leases	0	0
24. Other Interest Expense	0	0
25. Allowance for Funds Used During Construction	24,622	13,324
26. Total Fixed Charges (22+23+24-25)	394,058	354,284
27. Nonoperating Net Income	570,633	761,074
28. Extraordinary Items	0	0
29. Jurisdictional Differences	0	0
30. Nonregulated Net Income	30	0
31. Total Net Income or Margins (21+27+28+29+30-26)	385,326	1,101,601
32. Total Taxes Based on Income	0	0
33. Retained Earnings or Margins Beginning-of-Year	16,119,673	14,505,000
34. Miscellaneous Credits Year-to-Date	0	0
35. Dividends Declared (Common)	2,000,000	0
36. Dividends Declared (Preferred)	0	0
37. Other Debits Year-to-Date	0	0
38. Transfers to Patronage Capital	0	0
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	14,504,999	15,606,601
40. Patronage Capital Beginning-of-Year	0	0
41. Transfers to Patronage Capital	0	0
42. Patronage Capital Credits Retired	0	0
43. Patronage Capital End-of-Year (40+41-42)	0	0
44. Annual Debt Service Payments	1,513,826	2,200,693
45. Cash Ratio [(14+20-10-11) / 7]	0.6690	0.5971
46. Operating Accrual Ratio [(14+20+26) / 7]	1.0368	0.9351
47. TIER [(31+26) / 26]	1.9778	4.1094
48. DSCR [(31+26+10+11) / 44]	1.4629	1.3351

USDA-RUS

# OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

OK0538

PERIOD ENDED

December, 2013

## Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Cedar Lake	15.50	14.00	18	223	241	110.03	24.72
Colony	15.50	14.00	13	76	89	74.23	19.03
Eakly	15.50	14.00	62	153	215	118.41	19.10
Hinton	15.50	14.00	440	718	1,158	323.39	67.58
Hydro	15.50	14.00	159	387	546	271.38	74.39
Lookeba	15.50	14.00	52	177	229	136.95	23.81
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			744	1,734	2,478	1,034.39	228.63
No. Exchanges	6						



USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>  INSTRUCTIONS - See RUS Bulletin 1744-2						BORROWER DESIGNATION OK0538  PERIOD ENDED December, 2013		
<b>Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION</b>								
<b>4. BROADBAND SERVICE</b>								
<b>Details on Least Expensive Broadband Service</b>								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Cedar Lake	229	118	69	1,500	768	44.95	StandAlone	DSL
Colony	84	74	21	1,500	768	44.95	StandAlone	DSL
Eakly	204	74	21	1,500	768	44.95	StandAlone	DSL
Hinton	1,100	583	153	1,500	768	44.95	StandAlone	DSL
Hydro	518	97	13	1,500	768	44.95	StandAlone	DSL
Lookeba	214	84	19	1,500	768	44.95	StandAlone	DSL
<b>Total</b>	<b>2,349</b>	<b>1,030</b>						

USDA-RUS  
OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

OK0538

PERIOD ENDING

December, 2013

INSTRUCTIONS- See RUS Bulletin 1744-2

## PART D. SYSTEM DATA

1. No. Plant Employees 22	2. No. Other Employees 9	3. Square Miles Served 518	4. Access Lines per Square Mile 4.78	5. Subscribers per Route Mile 2.40
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## PART E. TOLL DATA

1. Study Area ID Code(s) a. 431995 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one)	
	Interstate:	<input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
	Intrastate:	<input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis

## PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	0
2. Other Long-Term Loan Funds Expended	0
3. Funds Expended Under RUS Interim Approval	0
4. Other Short-Term Loan Funds Expended	0
5. General Funds Expended (Other than Interim)	0
6. Salvaged Materials	5,500
7. Contribution in Aid to Construction	0
8. Gross Additions to Telecom. Plant (1 thru 7)	5,500

## PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development	0	0	0	0	0
2. Investment in Affiliated Companies - Nonrural Development	0	0	0	0	0

**USDA-RUS**  
**OPERATING REPORT FOR**  
**TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

OK0538

PERIOD ENDING

December, 2013

**PART H. CURRENT DEPRECIATION RATES**

Are corporation's depreciation rates approved by the regulatory authority  
 with jurisdiction over the provision of telephone services? (Check one)



YES



NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	18.00%
2. Land and support assets - Aircraft	18.00%
3. Land and support assets - Special purpose vehicles	18.00%
4. Land and support assets - Garage and other work equipment	10.00%
5. Land and support assets - Buildings	3.00%
6. Land and support assets - Furniture and Office equipment	11.50%
7. Land and support assets - General purpose computers	7.00%
8. Central Office Switching - Digital	8.33%
9. Central Office Switching - Analog & Electro-mechanical	7.00%
10. Central Office Switching - Operator Systems	7.00%
11. Central Office Transmission - Radio Systems	7.00%
12. Central Office Transmission - Circuit equipment	10.00%
13. Information origination/termination - Station apparatus	10.00%
14. Information origination/termination - Customer premises wiring	10.00%
15. Information origination/termination - Large private branch exchanges	10.00%
16. Information origination/termination - Public telephone terminal equipment	10.00%
17. Information origination/termination - Other terminal equipment	10.00%
18. Cable and wire facilities - Poles	7.00%
19. Cable and wire facilities - Aerial cable - Metal	5.00%
20. Cable and wire facilities - Aerial cable - Fiber	5.00%
21. Cable and wire facilities - Underground cable - Metal	5.00%
22. Cable and wire facilities - Underground cable - Fiber	5.00%
23. Cable and wire facilities - Buried cable - Metal	5.00%
24. Cable and wire facilities - Buried cable - Fiber	5.00%
25. Cable and wire facilities - Conduit systems	5.00%
26. Cable and wire facilities - Other	5.00%



USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		OK0538
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2013
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		741,204
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		1,101,601
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
3. Add: Depreciation		1,463,968
4. Add: Amortization		18,332
5. Other (Explain) Retirements & Other Reserve Charges		(165,886)
Changes in Operating Assets and Liabilities		
6. Decrease/(Increase) in Accounts Receivable		(66,224)
7. Decrease/(Increase) in Materials and Inventory		38,280
8. Decrease/(Increase) in Prepayments and Deferred Charges		39,332
9. Decrease/(Increase) in Other Current Assets		0
10. Increase/(Decrease) in Accounts Payable		(2,050,978)
11. Increase/(Decrease) in Advance Billings & Payments		0
12. Increase/(Decrease) in Other Current Liabilities		33,232
13. Net Cash Provided/(Used) by Operations		411,657
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		0
15. Increase/(Decrease) in Notes Payable		0
16. Increase/(Decrease) in Customer Deposits		0
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		775,546
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		0
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		1,378,471
20. Less: Payment of Dividends		0
21. Less: Patronage Capital Credits Retired		0
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		2,154,017
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		(1,165,080)
25. Other Long-Term Investments		(1,423,714)
26. Other Noncurrent Assets & Jurisdictional Differences		0
27. Other (Explain)		
28. Net Cash Provided/(Used) by Investing Activities		(2,588,794)
29. Net Increase/(Decrease) in Cash		(23,120)
30. Ending Cash		718,084

Revision Date 2010

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<b>CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	